



# *EU-US agricultural trade: facts, features and their implications*

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# *EU-US agricultural trade aspects*

## ■ *The (often forgotten) big picture*

- ◆ Trade is a two-way street...
- ◆ ...with many lanes in each direction...
- ◆ ...and different speeds in each lane

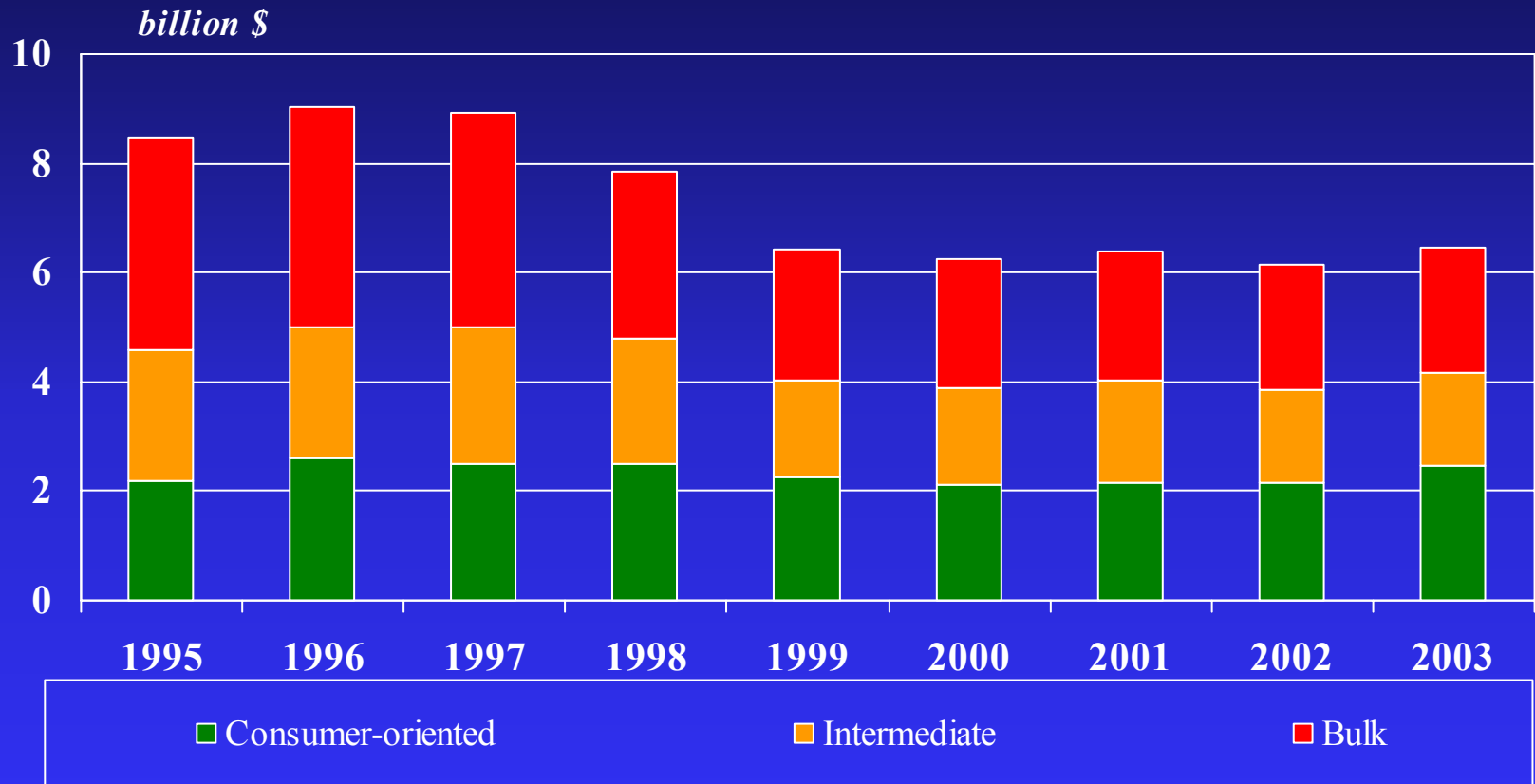
## ■ *The (generally prevailing) small picture*

- ◆ Trade is about conflicts and competition...
- ◆ ...while the partnership component takes second stage

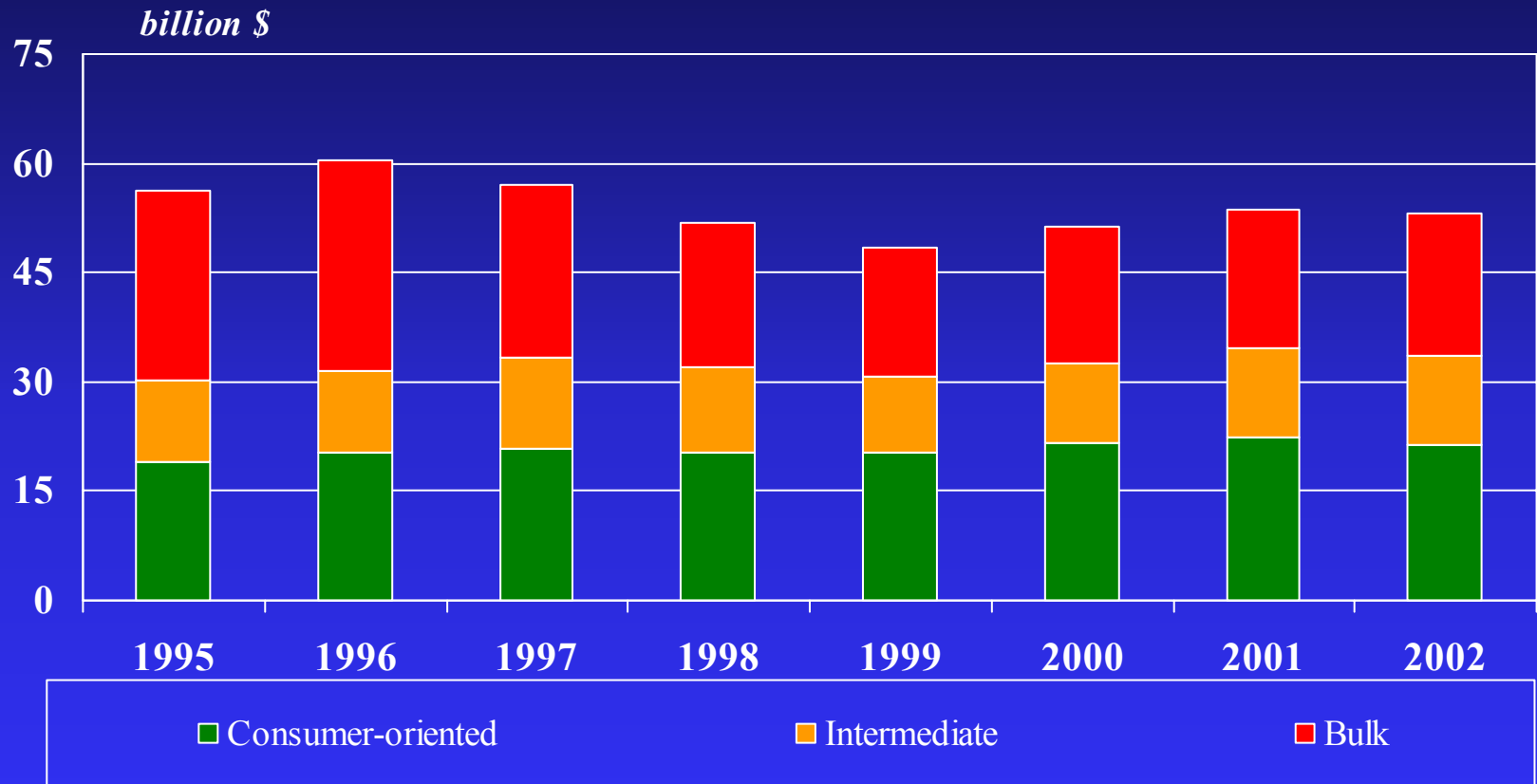
## ■ *The challenge*

- ◆ Keep things into perspective

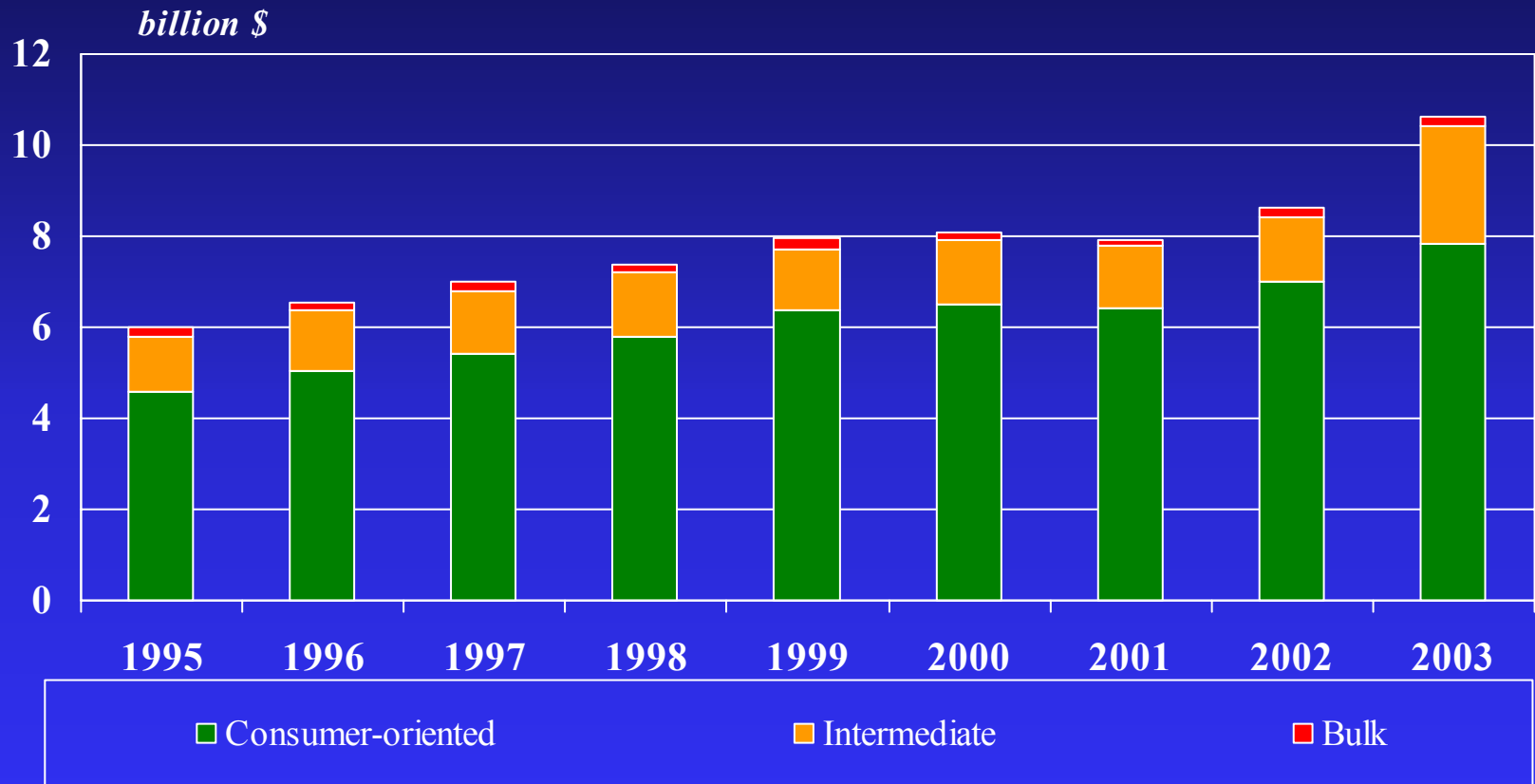
# *US agricultural exports to the EU*



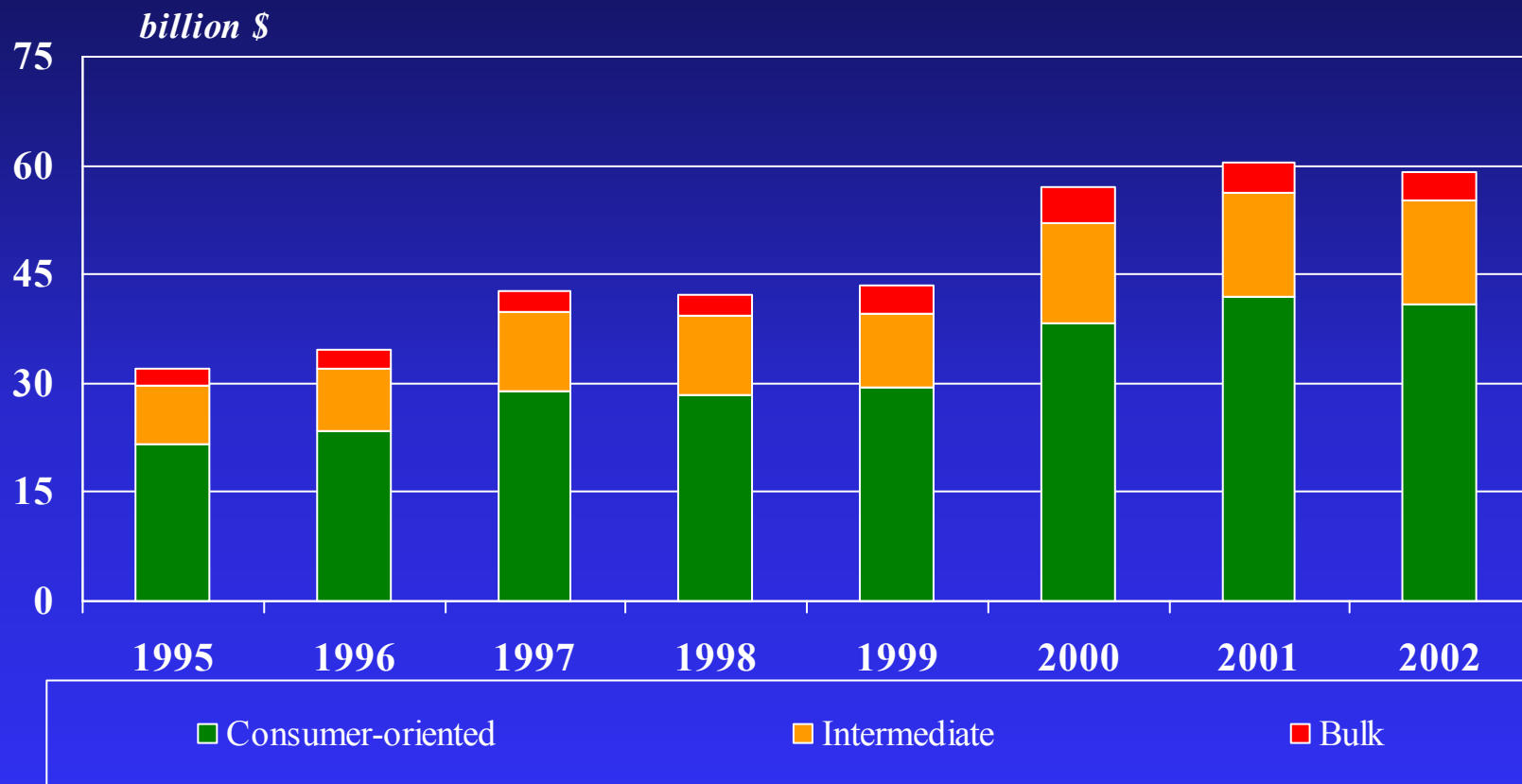
# *US agricultural exports to the world*



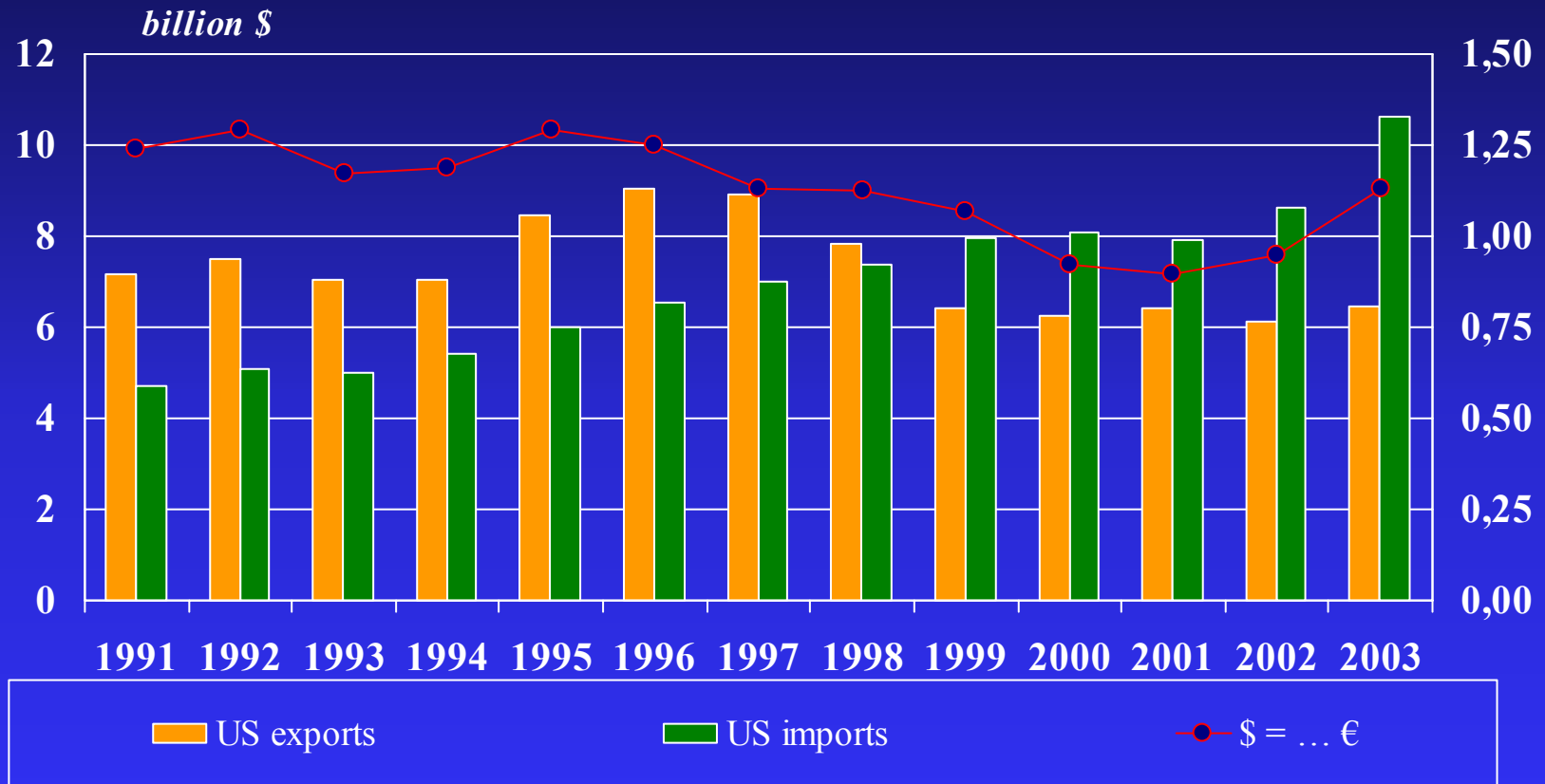
# *EU agricultural exports to the US*



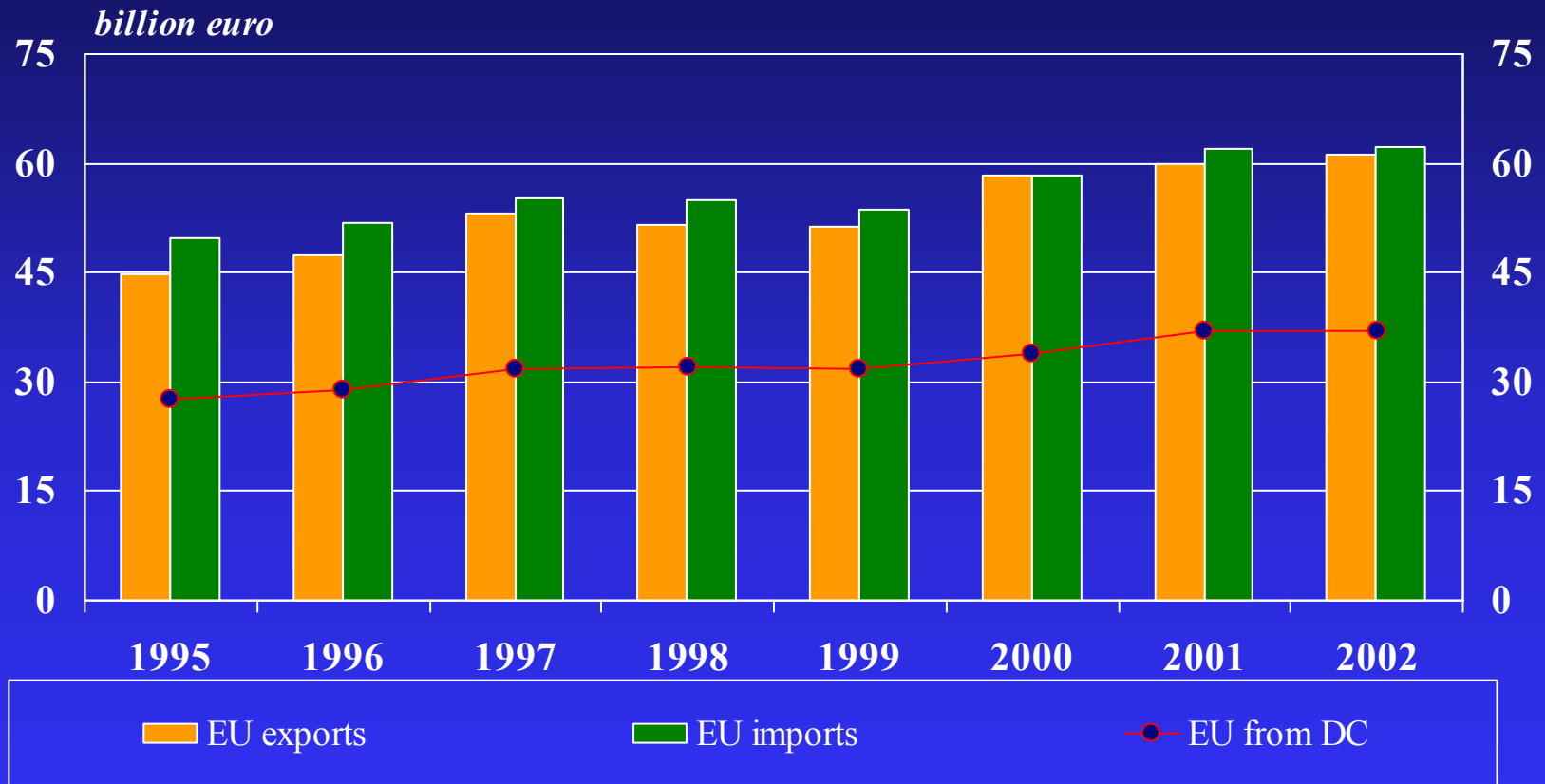
# *EU agricultural exports to the world*



# *US-EU bilateral agricultural trade*



# *EU global agricultural trade*







# *EU and US agricultural trade aspects*

## ■ *The export side*

- ◆ EU mainly exporter of value-added products
- ◆ US exports more balanced, still significant exporter of bulk commodities

## ■ *The import side*

- ◆ EU largest import market of developing world
- ◆ US import origin picture more diversified
- ◆ Average tariffs relatively low (not only in the US, look at EU preferences)
- ◆ Some sectors with high protection on both sides



# *EU and US agricultural trade policies*

## ■ *The export side: different tools of export support*

- ◆ EU export subsidies declining as a result of domestic reform
- ◆ US export support measures shifted to more targeted tools
- ◆ WTO disciplines only for EU measures

## ■ *The import side: market access and the DDA*

- ◆ Role of least developed DCs crucial for EU
- ◆ EBA initiative, preference erosion and SDT
- ◆ EU move on “blended formula” and tariff escalation
- ◆ Market access in third markets central for US
- ◆ Bulk commodity dependence intensifies competition



# *EU-US agricultural trade frictions*

## ■ *Problems on US side*

- ◆ Mostly outside agricultural sector
- ◆ Mainly of traditional trade nature

## ■ *Problems on EU side*

- ◆ Several within agricultural sector
- ◆ Mainly non-traditional trade issues

## ■ *The overriding factor*

- ◆ US policies still supply-driven
- ◆ EU policies increasingly demand-driven